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BY CABLE

THIS IS UNEVALUATED INFORMATION

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1. The Hungarian industrial center at Szatlinváros (Dunapentele - N36) is a Communist showpiece and a bad investment; it will probably never run smoothly. The construction is still in progress, but it is hampered by shortages and mismanagement.
2. The steel mill is still under construction and the blast furnaces have not yet been fired. Despite the original plan to use ore from the Donetz Basin, it is doubtful that the Russians will export ore to Hungary. The steel mill will probably use scrap iron from the USSR and from West Germany.
3. The electrical plant is almost finished; it will derive electric power by burning petroleum residue from Rumania.

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